

# CHARTER SCHOOL RACIAL DEMOGRAPHICS

DO THEY “REASONABLY REFLECT” THEIR COMMUNITY?

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**QUESTIONS:** How do North Carolina’s charter school student populations compare to the student populations of their corresponding LEA? What strategies do schools employ to both “reasonably reflect” their community and achieve a diverse student population?

## INTRODUCTION

House Bill 955 in 1996 (Session Law 2015-248) allowed for the creation of charter schools in North Carolina. This original statute charges charter schools to “reasonably reflect” the traditional public schools of their community. That paragraph (§ 115C-218.45(e)) is included below.

*“Within one year after the charter school begins operation, the charter school shall make efforts for the population of the school to reasonably reflect the racial and ethnic composition of the general population residing within the local school administrative unit in which the school is located or the racial and ethnic composition of the special population that the school seeks to serve residing within the local school administrative unit in which the school is located.”*

As the number of charter schools grew, especially following the elimination of the cap on charter schools in 2011 (formerly capped at 100 schools), the percentage of the state’s students climbed. As of the beginning of the 2015-2016 school year, charter schools enrolled 5.1% public school students in North Carolina. This study investigates whether these growing student populations “reasonably reflect” their community and whether they reflect diversity. It additionally searches for strategies that the State Board of Education and the Charter School Advisory Board can advise schools to adopt to better reach this goal.

## METHODOLOGY

Before we can make comparisons, we must clearly define the goals for charter school student populations. Once we finalize the definitions, we will compare the racial demographic statistics of charter school student populations to the student populations of the corresponding local education agency (LEA). The 2015-2016 data for these comparisons can be found on the DPI website through Financial & Business Services, on the [“Data & Reports” tab](#) under “Student Accounting.” Finally, we will review schools that successfully meet the student population goals to specify best practices for other charter schools who are less successful in achieving the indicated goals.

## DEFINITION OF GOALS

### 1. *The Racial & Ethnic Breakdown of Charter School Student Population Shall “Reasonably Reflect” the Racial & Ethnic Breakdown of the Student Population of the Corresponding LEA.*

The legislation that requires charter schools to “reasonably reflect” traditional public schools provides very little detail as to what the phrase specifically means. Other phrases in the same paragraph provide some clarity to the application of the law. The first three words, “Within a year,” indicate that this mandate exempts newly opened schools. It also indicates that the comparison should be done to the population of the “local school administrative unit in which the school is located.” This distinction clarifies that the school need not reflect neither the municipality in which its campus sits nor the numerous districts from which the school may draw students. The statute also creates an exemption: it allows for the charter school to “reasonably reflect... the special population that the school seeks to serve residing,” instead of the overall student population of the district. None of these clarifications, however, improve the understanding of the phrase “reasonably reflect.”

South Carolina has similar legislation that features slightly more precise language. Their statute specifies that charter school student population can differ “by no more than twenty percent.” This statement, while providing a numerical context for the law, still delivers less precision than is needed to confidently apply the law. Appendix 1 includes a table that details how using percentage point or percentage difference can yield either adherence or violation of the law. For the comparisons in this study, we use percentage points. A more intuitive calculation, using percentage points creates a more feasible standard to which schools should be held.

To see if schools meet this goal, we will subtract the percentage of each racial or ethnic subgroup of students in an LEA from the percentage of the same subgroup in each charter school located within that LEA. We will interpret differences of under 20 percentage points (including those that round up to 20 percentage

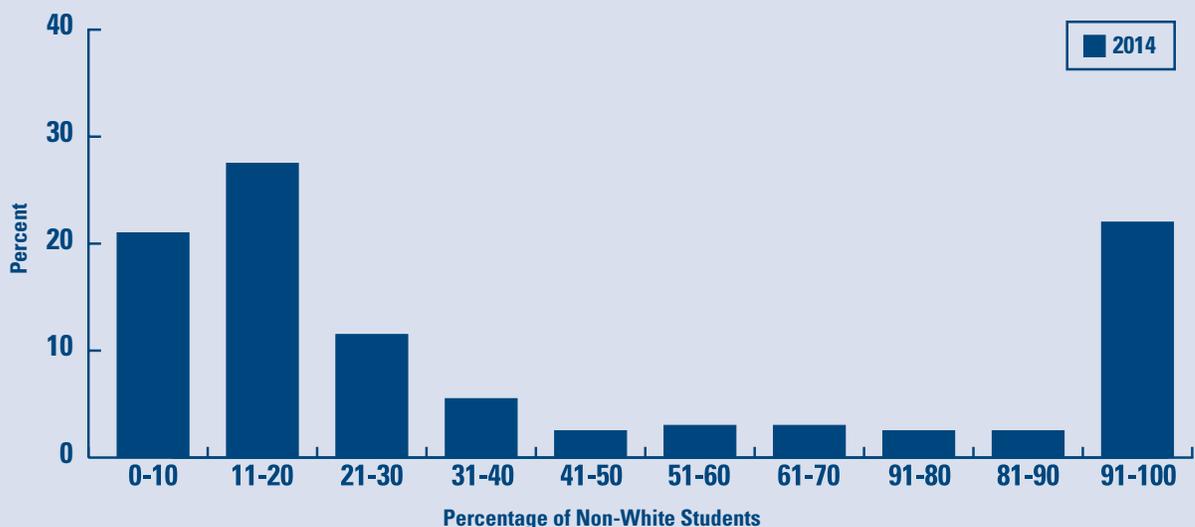
points) as charter schools “reasonably reflecting” the traditional public schools. We will designate any subgroup with a difference 20 or greater from the corresponding LEA as “substantially different” and therefore not “reasonably reflecting.”

### 2. *The Student Population at the Charter School Shall Be Racially Diverse, Defined as Having a Percentage of White Students Between 20% and 80% of the School’s Student Body.*

This second goal comes not from state legislation but instead from multiple sources. Interest in diversity in charter schools has grown in recent years. In 2012 the National Alliance for Public Charter Schools highlighted charter schools in Denver, Washington, D.C., and San Diego designed to serve a diverse student population. The brief, however, highlights that the key to diversity, often missing from the debate regarding charter schools, is how that diversity affects student performance (Kern, Thukral, & Ziebarth, 2012). A report from the Poverty & Race Research Action Council in 2012 describe the benefits students gain from being in classroom settings with classmates representing different backgrounds. Diverse schools can contribute to decreasing bias and discriminatory attitudes in their students (Kahlenberg & Potter, 2012). Students in these diverse settings also have stronger critical-thinking and cognitive skills, as well as academic achievement gains, in both K-12 settings and at the college level. Students at diverse high schools are also more likely to live in diverse neighborhoods five years after graduation (Kahlenberg & Potter, 2012). Diverse classroom settings have both social and academic benefits for students.

The original charter school legislation indicated that charter schools should “increase learning opportunities for all students”. At this time, however, many charter schools may not be serving diverse populations. Ladd, Clotfelter, & Holbein (2015) studied the state’s charter schools and found that they do not have diverse student populations, or “few schools had racially balanced student bodies” (Ladd, Clotfelter, &

Figure 1: Racial Enrollment Over Time at Charter Schools (Ladd, Clotfelter, & Holbein, 2015)



Holbein, 2015). Figure 1, drawn from their report, illustrates the percentage of non-white students in charter schools in 2014. The researchers define “predominantly white” as having less than twenty percent of the student body identifying as minorities. “Predominantly minority” schools in the report have minority populations making up more than eighty percent of the student body. The graph in Figure 1 observes large percentages of the sample falling in either of these categories, indicated by the taller columns on either end of the horizontal axis. The lower columns in the middle of the graph indicate the lack of diversity at most charter schools. This study employs the same guidelines for diversity as Ladd, Clotfelter, and Holbein. The tables will use the labels “80% Majority” and “80% Minority” to indicate the number of schools that fall into each category.

## FINDINGS

### GOAL 1: “REASONABLY REFLECT”

Figure 2 displays the breakdown of charter schools by the number of substantially different subgroups in their student population. Fifty-six schools, or 35% of the state’s charter schools, have no substantially different subgroups. Forty schools, or 25% of charter schools, have one substantially different subgroups. Fifty-five schools have two substantially different subgroups. This group makes up 35% of the sample. Finally, seven charter schools (4%) have three substantially different subgroups.

This figure, however, fails to account for the exemptions in the law. Newly opened schools and schools targeting a specific population do not have to reasonably reflect the general student population of the corresponding LEA. Fourteen charter schools opened for the first time in the 2015-2016 school year, so those schools will be separated from the older charter schools in the comparison. North Carolina Department of Public Instruction (DPI) does not indicate which schools qualify for the second exemption, so this study will not exempt them.

Appendix 2 shows the comparison of both schools open for longer than one year and newly opened schools to their corresponding LEAs. The percentages for the schools for whom the law applies does not change significantly once the exempt charters are removed. Similarly, the newly opened charter schools seem to face similar struggles to “reasonably reflect” as schools that have been open longer. This evidence suggests that, once opened, the student population may not change significantly.

### GOAL 2: DIVERSITY

Appendix 3 shows the total number of schools that qualify as “80% Majority” and “80% Minority.” Ninety-four charter schools fall into one of these two categories, which accounts for almost 60% of charters. However, this number does not account for the district in which the charter schools sit. Some districts also fit into one of these two categories. Of LEAs that have charter schools within them, six qualify as “80% Majority,” and six more count as “80% Minority.” Schools in these districts face a conflict of the study’s two goals: in order to “reasonably reflect” their LEA, schools may not have a diverse student population. Because of this decreased opportunity for diversity, schools in LEAs that fall under one of the two categories have been removed from the total if they qualify. The new table, with only schools in LEAs that are not racially imbalanced, is Figure 3. Seventy-five charter schools, or 47% of all charter schools, are racially imbalanced in racially diverse LEAs.

**Figure 3: Number of Racially Imbalanced Charter Schools in Racially Diverse LEAs**

	Number of Schools
<b>80% Majority</b>	<b>42</b>
<b>80% Minority</b>	<b>33</b>
<b>Total</b>	<b>75</b>

Twenty-seven schools meet both goals: their racial composition “reasonably reflects” the student populations of their corresponding LEAs, and they have a diverse student population. In order to better understand how the schools reached these two goals, we selected ten schools for more in-depth study of their marketing strategy. A narrower set of criteria, both having a diverse student population and having a population differ from its corresponding LEA by less than ten percentage points, identified these ten schools as candidates for further investigation. These schools, which have demonstrated excellence in “reasonably reflecting” the district, should provide insight into strategies that lead schools to both “reasonably reflect” their LEA and enroll a diverse student population.

For the focus group of schools, we reviewed their charter applications to observe any strategies that they specify they intend to take. We also reviewed their online presence, both on their website and social media accounts. This glance provided insight into how the schools interact with their communities.

**Figure 2: Number of Substantially Different Racial/Ethnic Groups in Charter Schools**

Substantially Different Racial/Ethnic Groups	Number of Schools	Percentage of Total
<b>0</b>	<b>56</b>	<b>35%</b>
<b>1</b>	<b>40</b>	<b>40%</b>
<b>2</b>	<b>55</b>	<b>35%</b>
<b>3</b>	<b>7</b>	<b>4%</b>

Finally, we asked administrators at the schools about their marketing strategies to receive feedback from the schools regarding their approach and to confirm observations from the charter application.

The ten schools in the focus group are:

- Cabarrus Charter Academy (Cabarrus County);
- Carolina International School (Cabarrus County);
- Charter Day School (Brunswick County);
- Francine Delany New School for Children (Asheville City);
- Mountain Island Charter School (Gaston County);
- Piedmont Community Charter School (Gaston County);
- Sandhills Theatre Arts Renaissance School (STARS) (Moore County);
- The Academy of Moore County (Moore County);
- The Capitol Encore Academy (Cumberland County); and
- Winterville Charter Academy (Pitt County).

One of these schools, Winterville Charter Academy, qualifies for exemption from the law as a newly-opened school. However, its inclusion in the focus provides an example for newly opened schools that work to both “reasonably reflect” its corresponding LEA and enroll a diverse student population in its first year of operation. The similarities between newly-opened schools and older charter schools also suggest that student populations may not change significantly once the schools are open. This hypothesis makes the inclusion of Winterville Charter Academy potentially important to understanding how future charter schools can “reasonably reflect” their districts upon opening.

## FOCUS GROUP FINDINGS

Reviewing the charters, websites, and social media accounts resulted in several observations of common features.

- Pictures prominently positioned on their home page and posted on their social media accounts feature diverse students.
  - Francine Delany New School, Cabarrus Charter Academy, and The Capitol Encore Academy all have such pictures covering the top of their home page.
  - Other schools highlight their diversity in their social media posts. Winterville Charter Academy, Carolina International School, The Capitol Encore Academy, Piedmont Community Charter, and Mountain Island Charter School in particular emphasized diversity in their pictures and videos that they posted on Facebook.
- The school’s mission or website explicitly emphasizes inclusiveness or diversity.
  - STARS includes the phrase “differences are celebrated” in the school’s mission. The focus can also be shown on the home page of the school website.

- Directly below the picture of a diverse group of students, the Francine Delany New School for Children site states that it is “an inclusive community that is committed to promoting social justice and preserving the inherent worth and human dignity of every person.”

- The charter application contains an explicit connection to diversity that extends beyond the requirements for increasing opportunities for all students.
  - The application of Cabarrus Charter Academy states that the school “will serve a diverse student population consistent with the community.”
  - Winterville Charter Academy had similar language to reach the “reasonably reflect” goal.
  - Carolina International School discusses its international focus in its academics and being “particularly responsive and appealing to minority cultures.”
  - The Capitol Encore Academy specifically mentions the militarily connected students in the community it serves.

These charter schools tout diversity through the ways they portray themselves to the public on their websites and social media accounts. Administrators from the following schools also answered questions about their marketing strategy and how they enrolled a diverse student population:

- Cabarrus Charter Academy;
- Carolina International School;
- Francine Delany New School for Children;
- Mountain Island Charter School;
- Piedmont Community Charter School; and
- The Capitol Encore Academy.

Their responses focused on the following practices that helped their schools develop diverse student populations that “reasonably reflect” their communities.

- The schools make deliberate efforts to connect to and build relationships with the community.
  - Mountain Island Charter School created a football program to bring its families together weekly in the fall.
  - Piedmont Community Charter School collaborates often the local YMCA, using their facilities for some school activities. The YMCA in turn came to the school to offer its students a reading program.
  - Administrators at the Francine Delany New School built relationships with black pastors and visited community centers in public housing complexes.
  - It and Carolina International School both organize student service projects with different groups and businesses in the community.
  - Carolina International School also moved its campus two years ago closer to Mecklenburg County, so it now better reaches the school’s students living there.

- The Capitol Encore Academy hosts kindergarten rallies and bring-a-friend nights to welcome its families and their friends to the school and connect them to staff members who attend them.
- The schools create programs that meet its community's needs and actively work to create an inclusive atmosphere.
  - Administrators at both the Francine Delany New School and Mountain Island Charter described the necessity of providing bus transportation and breakfast and lunch service for its students to attending their school a realistic option.
  - The founders of the Francine Delany New School actually intentionally designed their bus route to reach the public housing communities in Asheville to accommodate students living there.
  - The administrator at Mountain Island Charter School discussed having both a dance team and a step team, as well as enough programs and extracurricular activities to meet each student's needs.
  - Cabarrus Charter Academy cannot make bus service available but enrolled in Carpool to School, a software program that connects parents who can drive students to other parents who have children who need rides to school.
- The schools employ a diverse staff to demonstrate the school's commitment to diversity.
  - Conversations with Cabarrus Charter Academy, Francine Delany New School, and Carolina International School all revealed that they employ a diverse staff to make families from all backgrounds feel welcome.
- The schools advised focusing on these efforts before opening the charter school to create an initial population that "reasonably reflects" its community.
  - When the schools were just opening, they were recruiting for all grades. However, in subsequent years, the schools only have the youngest classes and

some vacancies in older classes. Because these slots represent such a small percentage of the student body, depending on them to dramatically reshape the student body fails to achieve the desired changes.

Through these intentional practices, these schools both created and maintain a diverse student body that "reasonably reflect" traditional public schools in their area.

## RECOMMENDATIONS

Based on this research and its findings, we have three recommendations for the State Board of Education to consider.

1. The State Board of Education may encourage legislators to, or create its own policy to, clarify state law in order to determine what "reasonably reflect" specifically means and what the consequences are for not doing so.
  - a. Such clarification would identify which schools are actually in violation of this statute and provide additional incentive for charter schools to adhere to it.
2. The State Board of Education may instruct the Office of Charter Schools to identify which schools qualify for the exemption of the statute for targeting a specific population and establish criteria by which future schools qualify for this exemption.
  - a. This identification will allow policymakers to accurately apply the law by comparing charter school student populations to the correct student population in traditional public schools.
3. The State Board of Education may advise current and future charter schools on best practices to enroll diverse student populations that "reasonably reflect" their corresponding LEAs.
  - a. Employing best practices will help current charter schools better "reasonably reflect" their districts and future charter schools develop strategies to "reasonably reflect" their districts upon opening.



## APPENDIX 1: DEFINING TWENTY PERCENT

The following chart displays the distinction between using a percentage point and percent difference. In this example, the hypothetical charter school has 20% of their student population belonging to a particular racial group. The corresponding LEA has 30% of its student population belonging to that racial group. The percentage point difference is -10%, but the percent difference is -50%. Using the twenty percent threshold, the school complies with state statute using percentage points, but the percent difference would indicate that the school fails to “reasonably reflect” its community.

Group at Hypothetical School	LEA	Charter	Difference (Percentage Points)	Difference (Percent)
Race	30%	20%	-10%	-50%

## APPENDIX 2: HOW BOTH NEWLY-OPENED AND OLDER CHARTER SCHOOLS “REASONABLY REFLECT”

Substantially Different Racial/Ethnic Groups	Schools Opened for More than One Year		Newly-Opened Schools	
	Number of Schools	Percentage of Total	Number of Schools	Percentage of Total
0	52	36%	4	29%
1	35	24%	5	36%
2	51	35%	4	29%
3	6	4%	1	7%

## APPENDIX 3: TOTAL NUMBER OF RACIALLY IMBALANCED CHARTER SCHOOLS (INCLUDES SCHOOLS IN RACIALLY IMBALANCED DISTRICTS)

	Number of Schools
80% Majority	48
80% Minority	46
<b>Total</b>	<b>94</b>

### Works Cited

- Kahlenberg, R. & Potter, H. (2012). *Diverse Charter Schools: Can Racial and Socioeconomic Integration Promote Better Outcomes for Students?* Poverty & Race Research Action Council and The Century Foundation.
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- Ladd, H., Clotfelter, C., & Holbein, J. (2015). *The Growing Segmentation of the Charter School Sector in North Carolina.* National Center for Analysis of Longitudinal Data in Education Research, 133.



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The Financial and Business Services Area is in its tenth year of the Research Intern Program. The Program is designed to help build a quality research program within NCDPI to supplement and supply data for discussions related to procedural, process, and policy changes. This year’s program included students from Duke University’s Master of Public Policy program and the University of North Carolina at Chapel Hill’s Master of Public Administration programs. The intern program is managed by Eric Moore (919-807-3731) | intern\_research@dpi.nc.gov.

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